REMARKS

Claims 1-28 are pending in the application, with claims 1, 13, 14 26, and 27 being the independent claims.

In the Office Action dated May 14, 2007, claims 1-13 have been allowed, claims 14-28 have been rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter, and claims 27-28 have been further rejected under 35 U.S.C. § 112 ¶ 2 as indefinite because directed to hybrid subject matter.

The Examiner has held that claims 14-28 would be allowable if rewritten or amended to overcome the rejections under 35 U.S.C. § 101 and 112.

Claims 1-13

Applicant gratefully acknowledges the Examiner's holding that claims 1-13 are allowable. Amendments are being introduced to claims 1-4 and 10-13 only to add missing punctuation, and to introduce p_i in the sequence included in the second element of claim 13. No new matter has been added

Claims 14-26

Claims 14-26 have been amended to recite that the method is "executed by a random sequence generating apparatus having a seed receiving section, an initializing section, a transformation section, a rotation section, an updating section, and an output section." Applicant believes the present amendment to be sufficient to overcome the rejection under 35 U.S.C. § 101 at least for the following reasons.

Claims 14-26, as currently amended, are directed to a method of generating a random sequence in an apparatus. The sections of such apparatus are both recited in claims 14-26 and described in the specification, for example, in FIG. 1 in general terms and in FIG. 5 in a representative example related to a computer system. Therefore, execution of the method described in claims 14-26 involves storing the related method steps, at least during execution, in the computer system, meeting the threshold requirement of *In re Beauregard*, 53 F.3d 1583 (fed. Cir. 1995).

In addition, the method of claims 14-26, as currently amended, produces the useful, concrete and tangible result of modifying an apparatus as claimed, meeting the threshold requirements of State Street Bank & Trust v. Signature Financial Group, Inc., 149 F.3d 1386 (Fed. Cir. 1998) and of AT&T Corp. v. Excel Communications, Inc., 172 F.3d 1352 (Fed. Cir. 1999). The claimed modification can be employed, for example, in the field of encryption and decryption, as explained in the specification, for example at page 7, lines 15-27.

Claims 14-26 also have been amended to correct punctuation. No new matter has been added.

Claims 27-28

Claim 27 has been amended to make claim 27 an independent claim and to remove all references to claim 1. Applicant believes the present amendment to be sufficient to overcome the rejection under 35 U.S.C. 112 ¶ 2, because claim 27, as currently amended, is no longer a hybrid claim.

Claim 27 also has been amended to introduce all the limitations of allowed claim 1, which recite sections of an apparatus. Therefore, Applicant believes the present amendment to be sufficient to overcome the rejection under 35 U.S.C. § 101 at least for the same reasons as discussed with regard to claims 14-26.

Claim 28 has been canceled, therefore, the rejections under 35 U.S.C. \S 101 and 112 \P 2 are most as to that claim.

Conclusion

Applicant believes that a full and complete reply has been made to the outstanding Office Action. For at least the above reasons, Applicant respectfully requests that the Examiner reconsider and withdraw all outstanding rejections and allow the present application. If necessary, the Commissioner is authorized in this and concurrent replies to charge payment (or credit any overpayment) to Deposit Account No. 50-2298 in the name of Luce, Forward, Hamilton & Scripps LLP, for any additional fees required under 37 CFR 1.16 or 1.17.

Dated: September 14, 2007

Respectfully submitted,

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